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Sen. David Long
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Sen. Frank Mrvan
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LOCAL GOVERNMENT EFFICIENCY AND FINANCING STUDY COMMISSION

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Authority: P.L. 64-2004

MEETING MINUTES¹

Meeting Date: October 8, 2004
Meeting Time: 11:00 A.M.
Meeting Place: State House, 200 W. Washington
St., Senate Chambers
Meeting City: Indianapolis, Indiana
Meeting Number: 3

Members Present: Sen. Marvin Riegsecker, Chairperson; Sen. Frank Mrvan; Rep. Dennis Avery; Rep. Thomas Saunders; Ron Spencer; Mark Catanzarite; Stephen J. Luecke; Phil Stiver; Sam Talarico, Jr.; Jean Lushin; Paul Ricketts; Mark D. Becker; Hon. Linda M. Buzinec; Matthew Taylor; Chief Kris Wolski.

Members Absent: Rep. Robert Alderman; Rep. Robert Kuzman, Vice-Chairperson; Sen. Timothy Lanane; Sen. David Long; Mike Benham; John Brown; Debbie Lewis; James L. Moore.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Chairman Riegsecker convened the meeting at 11:00 A.M. He announced that the fourth and final meeting of the Commission for the 2004 interim would be held on October 20th at 1:00 P.M.

I. Lexington-Fayette County (Kentucky) Government Consolidation

Chairman Riegsecker recognized Ken Kerns, the Vice President of Community Ventures Corporation in Lexington, Kentucky, and the former chief administrative officer of the Lexington-Fayette Urban County Government.

Mr. Kerns began by noting that Lexington and Fayette County merged in 1974, after a 1973 referendum that was approved by over 70% of the voters in that county. He briefly described the organizational chart of the consolidated Lexington-Fayette Urban County Government, and he then played a video tape for the Commission that provided background information on the consolidated government and its planning and development functions.

Mr. Kerns explained that preservation of surrounding areas outside the Lexington "urban service area" was a major impetus behind the consolidation. He noted that before the consolidation, there was only one incorporated entity (the city of Lexington) within Fayette County. He also stated that the Lexington-Fayette Urban County Government receives most of its revenue from a payroll tax, with a small amount of revenue from property taxes.

Mark Catanzarite questioned Mr. Kerns regarding the consolidation of law enforcement and schools, which had been merged throughout the county before the 1974 consolidation. Mr. Kerns replied that the biggest benefit had come from decreasing the confusion citizens had regarding which government was serving them. He also said that the fact that there is only one government entity to interact with is attractive to businesses deciding on whether to locate in Lexington-Fayette County.

In response to a question from Mayor Stephen Luecke, Mr. Kerns explained that there is a different level of services between the "urban services area" and other areas of Fayette County. In response to questions from Representative Tom Saunders, Mr. Kerns stated that it is difficult to measure savings from the consolidation because services have increased, and that the state is primarily responsible for paying for courts. Chairman Riegsecker questioned Mr. Kerns regarding the process used in the 1970s to come up with the city-county structure, and Mr. Kerns explained that a "merger commission" had been established.

In response to questions from Representative Dennis Avery, Mr. Kerns explained that part of the city-county government's approach to sprawl had been the creation of a public entity that purchases development rights.

II. Louisville-Jefferson County (Kentucky) Consolidation

Chairman Riegsecker recognized Joan Riehm, Deputy Mayor of the Louisville Metro Government, for a discussion of the Louisville-Jefferson County government consolidation. Ms. Riehm explained that the consolidation merged the county's executive and legislative functions, and that other elected county offices were not affected by the consolidation. After the merger, the Louisville Metro Mayor became the executive of the city-county government, and the twenty-six member Louisville Metro Council became the legislative branch of the city-county government. She noted that Louisville-Jefferson County is the first large community to merge in more than a decade. She stated that consolidation is not necessarily appropriate for all local governments, and that the fundamental question is

whether governmental structures instituted long ago are still effective.

Ms. Riehm testified that the consolidation served the goals of unity (one agenda for economic competitiveness), efficiency (avoiding duplicative city and county government agencies), increasing representation of citizens (previously, there were only three county commissioners serving a large number of citizens in their districts, compared to twenty-six districts after the consolidation), and attracting new talent to local government. She noted that steps had been taken before the consolidation to merge many city and county agencies.

She stated that the consolidated government has saved money and has improved services. In reply to a question from Paul Ricketts, Ms. Riehm explained that the savings resulting from consolidation did not lead to lower taxes, but was allocated to avoiding budget cuts during the economic downturn and to pay for some of the costs of the consolidation. In response to a question from Sam Talarico, she explained how the districts of the consolidated city-county Louisville Metro Council had been drawn to ensure minority representation.

III. Township Trustee-Assessor Issues

Chairman Riegsecker recognized Ron Spencer, the Trustee of Whiskey Run Township in Crawford County and a member of Commission. Mr. Spencer explained that Crawford County is divided into nine townships and has a population of approximately 10,000 residents, with around 3,000 living in his township.

He briefly described the functions he carries out as a township trustee-assessor, noting that he: (1) goes to each farmer to fill out their personal property tax return; (2) collects the dog tax; (3) settles fence issues; (4) cares for abandoned cemeteries; and (5) pays poor relief of \$7,500 per year. Mr. Spencer related how he can be responsive late on a Friday evening to provide poor relief vouchers for a hungry family.

IV. Discussion Drafts Concerning County Officers

Chairman Riegsecker asked Ed Gohmann, attorney for the Commission, to describe four discussion drafts provided for the Commission's comments and suggestions:

Draft #1 would amend the Indiana Constitution to provide that the General Assembly may provide by law that a "constitutional" county officer shall be appointed rather than elected.

Draft #2 would amend the Indiana Constitution in the same manner as Draft #1 (allowing appointment rather than election), but it would also provide that a county officer may be appointed rather than elected only after the voters of the county have voted in a referendum in favor of appointing the county officer.

Draft #3 would amend the Indiana Constitution to authorize the General Assembly to abolish a county office currently required by the Indiana Constitution.

Draft #4 would amend the Indiana Constitution in the same manner as Draft #3 (allowing a "constitutional" county office to be abolished), but it would also provide that a county office could be abolished only after the voters of the county have voted in a referendum in favor of abolishing the county office.

After further Commission discussion regarding township assessors, Chairman Riegsecker adjourned the meeting at approximately 1:30 P.M.